

Program Agreement

ASAP is pleased to provide the DoD ESI agencies a volume licensing program based on the aggregate purchases for new and renewal DoD enrollments. The proposed prices in this program agreement recognize all DoD agencies as a collective organization.

This program allows for an agency to standardize the desktops in their organization at a greatly reduced price (based on purchasing separate products under the GSA Schedule, or other similar vehicle). But the benefits are greater than simply the price. Agencies can now leverage the total cost of ownership for their desktop software with a single annual, predictable payment.

For the convenience of the agencies, ASAP, in conjunction with the DoD ESI, is please to offer three basic configurations to meet agency needs:

Standard Desktop -

(Includes Office Professional, OS Upgrade, Windows CAL, Exchange CAL and SMS CAL)
(also provides product upgrades and updates to these products for 3 year term of enrollment)

Enhanced Desktop -

(Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL]) (also provides product upgrades and updates to these products for 3 year term of enrollment)

Enhanced Desktop with SQL CAL -

(Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL] and SQL CAL) (also provides product upgrades and updates to these products for 3 year term of enrollment)

In order to participate in this program, each agency must submit required enrollment information (contained in this program agreement), along with a properly executed purchase order for the first annual payment.

There will be three separate periods in which an agency may enroll:

Renewal Enrollments Prior to 26-Jun-03: Customers are eligible to purchase renewal product configurations only under the following conditions:

- All components of the existing desktop configuration are properly licensed and are at the current version of the software. This eligibility expires on 7/31/02; or,
- All components of the desktop configuration are properly licensed and have existing Upgrade Advantage or Software Assurance coverage; or
- All components of the desktop configuration are properly licensed and all payment obligations under an Enterprise Agreement enrollment have been met.

This eligibility applies regardless of the contract vehicle used to acquire the

current licenses or upgrade protection. In the event that the current version of software, or the expiring Upgrade Advantage/Software Assurance coverage, was not purchased from another Enterprise Agreement, a ***Proof of Eligibility must be provided to the contractor.*** The **Proof of Eligibility** is a written notice from the Contracting Officer that states that "*NAME OF AGENCY, AND ANY NAMED AFFILIATES* (enrollee) is properly licensed for all of the components of the desktop configuration and is eligible to enroll under the applicable product configuration renewal item."

Enrollments Prior to 01-Oct-02: Customers are eligible to purchase new product prior to 01-Oct-02 at a reduced price. In order to qualify for this enrollment, the desktops must:

- Be supported by the DoD ESI Working Group; and
- Have one of the following existing operating systems: Windows 95, Windows 98, Windows NT Workstation, Windows 2000 Professional or Windows XP.

All orders must be received, along with this completed program agreement and appropriate enrollment information by 30-Sep-02, 5:00 p.m. Central Time. Orders received after this time, may be rejected.

Enrollments After 01-Oct-02 and Prior to 26-Jun-03: Customers are eligible to purchase new product after 01-Oct-02 and prior to 26-Jun-03 at the stated contract price. In order to qualify for this enrollment, the desktops must:

- Be supported by the DoD ESI Working Group; and
- Have one of the following existing operating systems: Windows 95, Windows 98, Windows NT Workstation, Windows 2000 Professional or Windows XP.

All orders must be received, along with this completed program agreement and appropriate enrollment information by 26-Jun-03, 5:00 p.m. Central Time. Orders received after this time, may be rejected.

Required Enrollment Information

<i>Government Agency (Department Level Information)</i>		
Name of Agency		Contact Name <small>(person who handles access to online information)</small>
Street Address		Contact E-mail Address
City	State	Phone
Country	Postal Code	Fax
Microsoft Account Manager Name		
Reseller (GSA Schedule Holder) Information ASAP Software Express, Inc. 850 Asbury Drive, Buffalo Grove, Illinois 60089 GSA Schedule GS-35F-4027D		

Defining The Agency's Enterprise

The agency enterprise must consist of entire offices, bureaus, agencies, or departments of agencies, not partial office, bureaus, agencies or departments. Each affiliate must be entirely "in" or entirely "out." All agency affiliates which consolidate with an agency after the effective date of this enrollment that are not party to an Enterprise Enrollment of their own will automatically be included unless you fill in part (b) below.

a. Use this part (a) to determine which current agency affiliates will be included in agency's enterprise. Check only one of the boxes in part (a).	
<input type="checkbox"/>	Agency and all agency affiliates will be participating
<input type="checkbox"/>	Agency and the following agency affiliates will be participating (if no agency affiliates will be participating, write "none" on line 1) (attach a list of names on a separate piece of paper if more than 5 agency affiliates are being included)
1	
2	
3	
4	
5	
<input type="checkbox"/>	Agency and the following agency affiliates, except the following agency affiliates, will be participating (attach a list of names on a separate piece of paper if more than 5 agency affiliates are being excluded)
1	
2	
3	
4	
5	
b. Use this part (b) to indicate whether agency affiliates which consolidate with agency after the enrollment effective date will be included. Unless you check the box below, all agency affiliates which consolidate with agency after the enrollment effective date that are not party to an Enterprise Enrollment of their own will automatically be included.	
<input type="checkbox"/>	Exclude all agency affiliates which consolidate with agency after the enrollment effective date that are not party to an Enterprise Enrollment of their own.

Renewal Enrollments:

Number of Qualified Desktops:			
For Enrollments with 250 or more desktops, send the media to the following address:			
Government Agency – CD Media Kit Shipping Address (English Language Only)			
Name of Agency		Contact Name <small>(person who handles media for the agency)</small>	
Street Address (no P.O. Box accepted)		Contact E-mail Address	
City	State	Phone	
Country	Postal Code	Fax	

Government Agency – License Confirmation Certificate Address			
Name of Agency		Contact Name <small>(person who retains license confirmations)</small>	
Street Address (no P.O. Box accepted)		Contact E-mail Address	
City	State	Phone	
Country	Postal Code	Fax	

Renewal Desktop Pricing For Initial Enrollment Period	Price Per Desktop for initial year*
Standard Desktop - (Includes Office Professional, OS Upgrade, Windows CAL, Exchange CAL and SMS CAL)	\$136.63
Enhanced Desktop - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL])	\$147.14
Enhanced Desktop with SQL CAL - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL] and SQL CAL)	\$171.32

*The pricing for the initial year is stated above. Pricing for the first and second option years will be determined by 01-Jun-03. See pricing matrix page for further details.

Proof of Eligibility must be provided to the contractor. The Proof of Eligibility is a written notice from the Contracting Officer that states that "NAME OF AGENCY, AND ANY NAMED AFFILIATES (enrollee) is properly licensed for all of the components of the desktop configuration and is eligible to enroll under the applicable product configuration renewal item."

New Enrollments (enrolled prior to 01-Oct-02):

Number of Qualified Desktops:		
For Enrollments with 250 or more desktops, send the media to the following address:		
Government Agency – CD Media Kit Shipping Address (English Language Only)		
Name of Agency	Contact Name (person who handles media for the agency)	
Street Address (no P.O. Box accepted)	Contact E-mail Address	
City	State	Phone
Country	Postal Code	Fax

Government Agency – License Confirmation Certificate Address		
Name of Agency	Contact Name (person who retains license confirmations)	
Street Address (no P.O. Box accepted)	Contact E-mail Address	
City	State	Phone
Country	Postal Code	Fax

New Desktop Pricing For Initial Enrollment Period	Price Per Desktop for initial year*
Standard Desktop - (Includes Office Professional, OS Upgrade, Windows CAL, Exchange CAL and SMS CAL)	\$235.00
Enhanced Desktop - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL])	\$225.00
Enhanced Desktop with SQL CAL - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL] and SQL CAL)	\$253.00

*The pricing for the initial year is stated above. Pricing for the first and second option years will be determined by 01-Jun-03. See pricing matrix page for further details.

New Enrollments (enrolled after 01-Oct-02):

Number of Qualified Desktops:			
For Enrollments with 250 or more desktops, send the media to the following address:			
Government Agency – CD Media Kit Shipping Address (English Language Only)			
Name of Agency		Contact Name (person who handles media for the agency)	
Street Address (no P.O. Box accepted)		Contact E-mail Address	
City	State	Phone	
Country	Postal Code	Fax	

Government Agency – License Confirmation Certificate Address			
Name of Agency		Contact Name (person who retains license confirmations)	
Street Address (no P.O. Box accepted)		Contact E-mail Address	
City	State	Phone	
Country	Postal Code	Fax	

New Desktop Pricing For Initial Enrollment Period	Price Per Desktop for initial year*
Standard Desktop - (Includes Office Professional, OS Upgrade, Windows CAL, Exchange CAL and SMS CAL)	\$237.53
Enhanced Desktop - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL])	\$227.02
Enhanced Desktop with SQL CAL - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL] and SQL CAL)	\$282.72

*The pricing for the initial year is stated above. Pricing for the first and second option years will be determined by 01-Jun-03. See pricing matrix page for further details.

Desktop Pricing Matrix:

New Product Configurations

	Volume Level		
	50,000 to 99,999 Desktops	100,000 to 199,999 Desktops	200,000 to 299,999 Desktops
Pricing Pre-10/01/02 (orders and complete enrollment information must be received at ASAP no later than 4:00 p.m. CST 30-Sep-02)			
Standard Desktop - (Includes Office Professional, OS Upgrade, Windows CAL, Exchange CAL and SMS CAL) (also provides product upgrades and updates to these products for 3 year term of enrollment)	\$246.99	\$235.00	\$235.43
Enhanced Desktop - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL]) (also provides product upgrades and updates to these products for 3 year term of enrollment)	\$236.48	\$225.00	\$224.92
Enhanced Desktop with SQL CAL - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL] and SQL CAL) (also provides product upgrades and updates to these products for 3 year term of enrollment)	\$263.81	\$253.00	\$253.30
Pricing Post-10/01/02 (for orders and complete enrollment information received at ASAP later than 30-Sep-02)			
Standard Desktop - (Includes Office Professional, OS Upgrade, Windows CAL, Exchange CAL and SMS CAL) (also provides product upgrades and updates to these products for 3 year term of enrollment)	\$246.99	\$237.53	\$235.43
Enhanced Desktop - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL]) (also provides product upgrades and updates to these products for 3 year term of enrollment)	\$236.48	\$227.02	\$224.92
Enhanced Desktop with SQL CAL - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL] and SQL CAL) (also provides product upgrades and updates to these products for 3 year term of enrollment)	\$292.18	\$282.72	\$280.62

The first year per desktop price for NEW PRODUCT CONFIGURATIONS covered by each enrollment, for each qualified desktop irrespective of the number of qualified desktops under such enrollment, shall be determined by the 100,000 to 199,999 Desktop level, identified above in bold print.

The second and third year per-desktop prices are based on the actual aggregate volume level achieved by the entire DoD ESI Enterprise on the date which is 30 days prior to the 1st or 2nd anniversary date of the initial enrollment period.

Example: The first year an agency enrolls 2,000 qualified desktops prior to 01-Oct-02 for the Enhanced Desktop. The first year per desktop unit price would be \$227.02. 30 days prior to the 1st anniversary date, an aggregate count of all enrolled desktops across the entire DoD Enterprise would be totaled.

- If the aggregate count of all desktops across the entire DoD Enterprise is greater than or equal to 200,000, then the 2nd and 3rd payment would be \$224.92 per desktop.
- If the aggregate count of all desktops across the entire DoD Enterprise is greater than 100,000, but less than 200,000, then the 2nd and 3rd payment would remain the same (\$227.02 per desktop).
- If the aggregate count of all desktops across the entire DoD Enterprise is less than 100,000, then the 2nd and 3rd payment would be \$236.48 per desktop.

Renewal Product Configurations

Renewal Product Configurations (orders and complete enrollment information must be received at ASAP no later than 27-Sep-02)	Volume Level		
	200,000 to 299,999 Desktops	300,000 to 399,999 Desktops	400,000 + Desktops
Standard Desktop - (Includes Office Professional, OS Upgrade, Windows CAL, Exchange CAL and SMS CAL) (also provides product upgrades and updates to these products for 3 year term of enrollment)	\$138.73	\$136.63	\$135.58
Enhanced Desktop - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL]) (also provides product upgrades and updates to these products for 3 year term of enrollment)	\$150.30	\$147.14	\$145.04
Enhanced Desktop with SQL CAL - (Includes Office Professional, OS Upgrade, Core CAL [Windows CAL, Exchange CAL, SMS CAL and SharePoint CAL] and SQL CAL) (also provides product upgrades and updates to these products for 3 year term of enrollment)	\$174.47	\$171.32	\$169.21

	Volume Level		
	200,000 to 299,999 Desktops	300,000 to 399,999 Desktops	400,000 + Desktops
Basic to Standard Upgrade Renewal	\$182.88	\$180.78	\$179.72
Basic to Enhanced Upgrade Renewal	\$209.15	\$206.00	\$203.90
Basic to Enhanced with SQL Upgrade Renewal	\$269.06	\$260.65	\$258.55
Standard to Enhanced Upgrade Renewal	\$165.01	\$161.86	\$159.76
Standard to Enhanced with SQL Upgrade Renewal	\$221.77	\$216.51	\$214.41

The first year per desktop price for RENEW PRODUCT CONFIGURATIONS covered by each enrollment, for each qualified desktop irrespective of the number of qualified desktops under such enrollment, shall be determined by the 300,000 to 399,999 Desktop level, identified above in bold print.

The second and third year per-desktop prices are based on the actual aggregate volume level achieved by the entire DoD ESI Enterprise on the date which is 30 days prior to the 1st or 2nd anniversary date of the initial enrollment period.

Example: The first year an agency enrolls 2,000 qualified renewal desktops for the Enhanced Desktop. The first year per desktop unit price would be \$147.14. 30 days prior to the 1st anniversary date, an aggregate count of all enrolled desktops across the entire DoD Enterprise would be totaled.

- If the aggregate count of all desktops across the entire DoD Enterprise is greater than or equal to 400,000, then the 2nd and 3rd payment would be \$145.04 per desktop.
- If the aggregate count of all desktops across the entire DoD Enterprise is greater than 300,000, but less than 400,000, then the 2nd and 3rd payment would remain the same (\$147.14 per desktop).
- If the aggregate count of all desktops across the entire DoD Enterprise is less than 300,000, then the 2nd and 3rd payment would be \$150.30 per desktop.

ADDITIONAL LICENSE TERMS

Transfer Rights. The Microsoft License/Product Use Rights grants the right of license transfer to another agency of the U.S. Government if the enrollee is an agency of the U.S. Government. The Transfer rights of the PUR are clarified to include the right to transfer among DoD Agencies as well as DoD components within Agencies.

License copies for training, evaluation, research and development (including Research Labs) and back-up. During the term of the enrollment, each enrolled affiliate and any agency affiliate included in its enterprise may (i) run up to 20 complimentary copies of any additional product in a dedicated training facility on their premises; (ii) run up to 10 complimentary copies of any product that we make available to license as an additional product for a 60 day evaluation period; (iii) run complimentary copies of enterprise products and additional products on 1% of the enrolled affiliates qualified desktops for research and development purposes; and (iv) make and retain one complimentary copy of any licensed product for back-up or archival purposes for each of their distinct geographic locations.

Temporary Use of Software During Times of Conflict. During Temporary Expeditionary Deployments ("TEDs"), an enrolled affiliate during the term of this agreement may temporarily deploy and install or use on, or access from qualified desktops or servers, the, Standard Desktop Configuration, Enhanced Desktop Configuration, or Enhanced with SQL Desktop Configuration and the additional products, all described in Attachment A (the "Software") on an unlimited number of qualified desktops or servers being used as part of the TEDs ("Temporary Use"). For purposes of this subsection, the term "Temporary Expeditionary Deployments" or "TEDs" shall refer to any number of software licensed products enrolled under this agreement which may be used at no additional cost by the DoD enrolled affiliate. The coverage will extend to deployments away from in-garrison locations (any military post or government office where troops or civilian government personnel are at a permanent location), deployment locations in support of war games, exercises, real world contingencies, and emergency situations similar to the terrorist attacks on 9/11/01 where temporary duty stations were needed due to the destruction of government offices. Each enrolled affiliate will make a record of the count of each category of license used while deployed and the period of use. After the TED and upon request, the count and duration information, but not the deployed location information, will be provided to the contractor for auditing purposes. Such Temporary Use of the software is limited to a period equal to the length of the TED or six (6) calendar months, whichever is shorter ("Temporary Use Period"), unless a different time period is agreed to in writing by us. At the end of the six month period or as mutually agreed to, the DoD enrolled affiliate will provide a written certification that the licenses have either been destroyed or payment has been made under this agreement. The enrolled affiliate agrees to use the products in accordance with the terms contained in this Agreement and the applicable version of the License Agreement - Product Use Rights. If the DoD enrolled affiliate requires use of the Software beyond the Temporary Use Period and such extended use has not been approved by Microsoft, the enrolled affiliate shall purchase the products in accordance with the pricing terms of this Enterprise Agreement.

GFE Non-Portable Computer Use Rights. DoD has adopted a Teleworking Policy which implements the requirements of Section 359 of Public Law No. 106-346 (reference A), which requires each Executive Agency to establish a policy under which eligible employees of the agency may participate in teleworking to the maximum extent possible without diminished employee performance. Enrolled affiliate shall have the right to grant to those persons participating under the DoD Teleworking Policy and who have been issued a Government Furnished Equipment (GFE) non-portable desktop in lieu of portable computer, the portable use rights under the applicable License Agreement – Product Use Rights. The portable use rights will apply to such GFE desktop or to a portable computer but not both.

Copies necessary for internal deployment. Each enrolled affiliate may make as many copies of the products licensed under the enrollment as necessary to distribute the products to the users within its enterprise. All copies of any product must be true and complete copies (including copyright and trademark notices) and be made from CD-ROMs, disk sets or a network source, acquired from or made available by a Microsoft approved fulfillment source for that product. Each enrolled affiliate may also have a third party make and distribute copies in its place, but the enrolled affiliate is responsible for third-party actions to the same extent it would be if the third party were its employee. Enrolled affiliates must make reasonable efforts to make employees, agents and other individuals running a product aware that the product is licensed from Microsoft and may only be run or transferred subject to the terms of this agreement and the License Agreement/Product Use Rights.

Re-imaging rights. If an enrolled affiliate or any affiliate included within its enterprise has licensed products from an original equipment manufacturer (OEM), through a retail source or under any Microsoft program other than this Enterprise Agreement program, it may use copies made from the media provided under this Enterprise Agreement enrollment in place of any copies made from the media provided through that separate source, so long as it complies with the following restrictions.

- (i) The enrolled affiliate must have obtained a separate license from the separate source for each copy being replaced.
- (ii) The product, language, version and all components (in the case of product suites, such as Office) of the copies made from the media provided under an enrollment must be identical to the product, language, version and all components of the copies they replace.
- (iii) In the case of copies licensed from an original equipment manufacturer (OEM) or through a retail source, in addition to the other conditions outlined in this subsection, the product type (e.g. upgrade or full license) of the copies made from the media provided under an enrollment must be identical to the product type of the copies they replace. However, an enrolled affiliate may use copies of a desktop operating system made from the media provided under the enrollment you submit on its behalf in place of copies of the same desktop operating system obtained from a separate source, even though they may be of different types (i.e. one may be an upgrade and the other a full license), provided that the product, language and version are identical.

The use of any copies made under this subsection is subject to the terms and use rights provided with the copies being replaced, and nothing in this section creates or extends any warranty or support obligation.

Termination of an enrollment. The government agency may terminate an enrollment for convenience. Either party to an enrollment may terminate if the other party materially breaches its obligations under this agreement, including any obligation to submit orders or pay amounts owed (even if such non payment is caused by non-appropriation of funds to an enrolled affiliate). Except where the breach is by its nature not curable within 30 days, the terminating party must give the other party 30 days notice and opportunity to cure. If an enrolled affiliate ceases to be an affiliate of the agency, the agency must promptly notify us of this fact, and the enrollment may be terminated.

Effect of termination or expiration. Upon expiration or termination of any enrollment, you must order licenses for all copies of products an enrolled affiliate or agency affiliates have run under the enrollment. Except as provided in the next paragraph, in the event of termination, all unpaid installments of the purchase price for any licenses will immediately become due and payable, and the enrolled affiliate will be entitled to perpetual licenses only after all such payments have been made.

If (i) you terminate your enrollment as a result of our breach, or (ii) you terminate your enrollment as a direct result of termination for convenience, or (iii) we terminate an enrollment because an agency affiliate ceases to be an affiliate of the enrolled affiliate, or (iv) we terminate an enrollment for non-payment due to non-appropriation of funds to an enrolled affiliate, then you will have the following options. You may immediately pay the total remaining amount due, including all installments, in which case the enrolled affiliate will have perpetual licenses for all copies of the products you have ordered for it. As an alternative, you may pay only amounts due and payable as of the termination date, in which case the enrolled affiliate will have perpetual licenses for (i) all copies of all products for which payment has been made in full, and (ii) the number of copies of products for which payment has been made in installments that is proportional to the amount you have paid as of the termination date.

If the enrollment being terminated is for renewal of Software Assurance (maintenance), the effect of termination is that said maintenance coverage will cease on the anniversary date of the enrollment, when payment for the first or second option year would otherwise be due. No additional termination charges apply and payment for maintenance coverage beyond the termination date is not required. Maintenance coverage beyond the termination date is defined as the first or second option year payments as applicable. The enrolled affiliate will retain 100% of the licenses that existed at the inception of the agreement. In addition, the customer receives the right, for products covered in the renewal enrollment, to deploy any and all upgrades that became commercially available during the coverage term for which payment was made in full.

Government Agency Program Agreement Acceptance		
<i>Please complete this block and return entire completed program agreement with a properly executed purchase order. Program agreements that are not complete, or that are not returned with a properly executed purchase order may be rejected.</i>		
Name of Agency		Contact Name (person responsible for committing the Government)
Street Address		Contact E-mail Address
City	State	Phone
Country	Postal Code	Fax
Signature _____ Title _____ Date _____		